



DEPARTMENT OF THE ARMY
HEADQUARTERS UNITED STATES ARMY FORCES COMMAND
1777 HARDEE AVENUE SW
FORT MCPHERSON GEORGIA 30330-1062

REPLY TO
ATTENTION OF

AFLG-PR

3 February 1998

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Contracting Information Letter (CIL) 98-13

1. This CIL contains information on the following:

- a. Task Order Contract and Delivery Order Contract Ombudsman,
- b. Performance Based Service Contracts (PBSC) Information,
- c. Acquisition Reform Advocacy Program,
- d. Competitive Professional Development (CPD) and Senior Service College (SSC) Resources for Salary Reimbursement,
- e. Centralized Contractor Registration (CCR),
- f. Short Term Executive Training with Brookings Government Affairs Institute, and
- g. FAR Part 15 Rewrite, September 1997, Changes to Profit Fee Rules.

2. Task Order Contract and Delivery Order Contract Ombudsman.
Ms. Judith Blake, DSN 367-7175, has been appointed as the Forces Command Task Order Contract and Delivery Order Contract Ombudsman. The Ombudsman has the authority to:

- a. Review complaints from contractors awarded multiple contracts that they have been afforded a fair opportunity to be considered for award of a particular task order, and
- b. After coordination with the contracting officer, and if they agree with the contractor, require the contracting officer take corrective action regarding the complaint. If the contracting officer does not agree with the ombudsman, the matter shall be decided by the PARC. The ombudsman shall be identified in multiple award task and delivery order contracts.

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3. Performance Based Service Contracts (PBSC) Information. As you know, it is the policy of the Army to use PBSC methods to the maximum extent practicable. The following information is provided for your use in the conversion of your service contracts to performance based. The information was collected from the field, so many of you will recognize some of your input.

a. Training.

(1) On-going training (to include OFPP Guide to Best Practices for PBSC, Acquisition Reform Training (June 97) VTC (Oct 97) and FAC 97-1 guidance at FAR Part 37.6).

(2) The on-going training in many cases includes not only the acquisition personnel but also the technical function experts (who actually write the PWS) and the Contracting Officer Representatives to ensure specs/work statements are clear, specific, and address outcome of the work.

(3) One installation chose to incorporate a training module on PBSC into their Customer Education Classes that are conducted throughout each fiscal year.

b. Good News Stories.

(1) One installation successfully converted a Custodial Services contract to a PBSC. To ensure this outcome, they developed a PAT Team from DPW, 94th RSC, RMO and DOC. They used the OFPP Guide and had all team members attend the Acquisition Reform Day II Training. After many heated sessions, the PWS was successfully converted.

(2) Several installations have teaming sessions with their customers and assist in a side-by-side mode in writing the PWS in the early stages of the procurement process. These sessions continue throughout the entire procurement process. This has been the largest factor in converting procurements to a PBSC action. In some instances, it has fine-tuned a previous partial PBSC to a full PBSC.

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c. Lessons Learned.

(1) Ensure you have adequate, accurate workload data. Nothing will cause contract management problems like inaccurate workload data. No one has a true picture of the requirement nor an understanding of what it will take to accomplish it if the workload data is incorrect.

(2) Don't overload your PWS with "Army - or other - regulations".

(3) Don't fill a PWS with non-commercial type (military peculiar) systems, specifically automated systems that can do more than the military's antiquated systems - and can many times be developed to provide any required reporting requirements.

(4) Establish effective oversight programs, ensuring that you adapt them to a service environment. Rely on the contractor's system to the greatest extent practicable. Focus on problem prevention, early detection, rather than on surveillance systems that inspect after-the-fact and count deficiencies. Recognize that multiple function service contracts may require more than one single method of surveillance; select specific methods for each function (e.g., statistical methods, surveillance using continuous process analysis and improvement; surveillance using process oriented procedure evaluation; surveillance using inspection by attributes (the old random sampling), etc.). Develop Letters of Instruction for the methods listed above and conduct training for Contracting Officer Representatives and Team Managers.

(5) The success of performance on a PBSC is "partnering" where parties develop a mutual commitment to work cooperatively as a team to identify/resolve problems and facilitate contract performance. Contractors must virtually become part of the Army team; "staff members" working side-by-side with the Government. This sense of team must be a commitment that stems throughout the Government and Contractor organizations, with commitment from workers at all levels.

(6) Government PWS writers need training. Training contracting professionals alone isn't the answer - we aren't the

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PWS writers. PBSC starts with our customers and they need to be trained.

d. Obstacles to Overcome. There remains a large number of partially-PSBC contracts in non-traditional areas (automation Support, Training Services, Logistics Support, etc.) which are still going through the process of conversion to PBSC. The major challenges remain establishment of measurable standards and adequate tools for surveillance of these sorts of contracts (e.g., random sampling is simply not an effective option). It is relatively easy to determine if a floor is "clean"; it is much more difficult to determine the effectiveness of training delivery. While we are still largely able to write these statements of work as performance-based, and even develop surveillance plans, it is less easy to incorporate those elements involved with measurable standards and "positive negative incentives" such as deduction schedules.

e. For additional information, please contact Gail Burrell at DSN 367-6787 or email burrellg@forscom.army.mil.

4. Acquisition Reform Advocacy Program.

a. Reference memo, SARD-PR, 11 December 1997, SAB (encl 1).

b. The Acquisition Reform Advocacy Program will help us to work as an integrated team so that we can continue to improve and adopt new ways of doing business and create awareness of and access to new technologies. This program, coupled with Strategic Planning, will help us accelerate acquisition reform.

c. Ms. Toni Gaines has been designated to serve as the Acquisition Reform Advocate/Champion for FORSCOM and will perform the responsibilities as outlined in the memorandum. Ms. Gaines may be reached at DSN 367-5530 or email at gainest@forscom.army.mil.

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5. Competitive Professional Development (CPD) and Senior Service College (SSC) Resources for Salary Reimbursement.

a. Reference memo, December 23, 1997. SAB (encl 2).

b. Subject memo advises of a change to ACTEDS funding policy concerning long term training (LTT). Employing commands who expect the employee on LTT to return to their position may be reimbursed for the additional costs incurred for the temporary fill of the position. Gaining commands who select an individual for a post-training operational assignment may be reimbursed for the individual's salary effective on the date of assignment.

6. Centralized Contractor Registration.

a. Reference CIL 97-35, paragraph 3, dated 4 August 1997, and CIL 97-48, paragraph 3, dated 30 September 1997.

b. All Army contracting activities are reminded that as of 31 March 1998, all contractors doing business with the Army must be registered in the Centralized Contractor Registration (CCR). You can get a copy of the registration form on the web site www.acq.osd.mil, click on the Office Navigator, then click on Principal Deputy-Defense Procurement and scroll down to the Centralized Contractor Registration (CCR) and click on.

7. Short Term Executive Training with Brookings Government Affairs Institution.

a. Reference memo, SARD-PM, dated 7 January 1998, SAB (encl 3).

b. Subject memo announces the Career Program 14 Short Term Executive Training with the Brookings Government Affairs Institute of the Brookings Institution. Application procedures, course descriptions and application forms are included.

8. FAR Part 15 Rewrite, September 1997, Changes to Profit Fee Rules.

a. The current "Highlights of the FAR Part 15 Rewrite, dated September 1997," discusses the changes to the existing profit

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policy rules. The actual profit policy rules **have not changed**. However, the rules regarding fee limitations have been revised to match the law. Previously, statutory limitations on fee paid under cost-plus-fixed-fee contracts also applied by regulation to cost-plus-incentive-fee and cost-plus-award-fee contracts. Those additional **limitations have been removed** and now the limits apply only to cost-plus-fixed-fee contracts.

b. A current reading from FORSCOM Staff Judge Advocate Office is as follows:

(1) There are no longer any **regulatory** restrictions placing fee limitations on Cost-plus-award-fee (CPAF) contracts. There were never any statutory restrictions limiting fee on CPAF - only agency rules, and with the FAR Part 15 Rewrite, those are now gone.


(2) The statutory limits apply only to Cost-Plus-Fixed-Fee contracts (CICA at 2306(e), and 41 U.S.C. 254(b)).

(3) Legally you can award a CPAF with any amount of fee, to include removal of the previous 3 percent limitations on base fee. It is the commercial competition and the marketplace that impose the limitations on CPAF base fees.

(4) As stated in the memorandum, from Acting Deputy Under Secretary of Defense (Acquisition Reform), dated 16 September 1997, Subject: Rewrite to the Federal Acquisition Regulations Part 15 - Negotiated Source Selection (encl 4), all changes are mandatory and effective on 1 January 1998.

c. For additional information, please contact Gail Burrell at DSN 367-6787.

4 Encls
as


CHARLES J. GUTA
Colonel, AC
Chief, Contracting Division, DCSL&R
Principal Assistant Responsible
for Contracting

AFLG-PR

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DISTRIBUTION:

COMMANDERS,

III CORPS & FT HOOD, ATTN: AFZF-DOC

XVIII ABN CORPS & FT BRAGG, ATTN: AFZA-DC

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FT CARSON, ATTN: AFZC-DOC

JRTC & FT POLK, ATTN: AFZX-DOC

I CORPS & FT LEWIS, P.O. BOX 33931, ATTN: AFZH-DOC

3RD INF DIV (MECH) & FT STEWART, ATTN: AFZP-DC

101ST ABN DIV (AASLT) & FT CAMPBELL, ATTN: AFZB-DOC

FT DEVENS, ATTN: AFRC-FMD-DOC

FT DIX, ATTN: AFZT-DOC

10TH MTN DIV, FT DRUM, ATTN: AFZS-DOC

FT MCCOY, ATTN: AFRC-FM-DC

NATIONAL TRAINING CENTER & FT IRWIN, ATTN: AFZJ-DC

ARMY ATLANTA CONTRACTING CENTER, ATTN: AFLG-PRC



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH DEVELOPMENT AND ACQUISITION
103 ARMY PENTAGON
WASHINGTON DC 20310-0103

REPLY TO
ATTENTION OF

DEC 11 1997

SARD-PR

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Acquisition Reform Advocacy Program

Reference Memorandum, SARD-PR, August 6, 1997, subject: Implementing the Army Acquisition Reform Strategy.

The reference encourages you to continue the vitally important acquisition reform strategic planning process in a timely manner. Command emphasis is needed to assure that acquisition reform strategic planning achieves good results and complies with the "Guidelines for Army Acquisition Reform Strategic Planning."

As we strive to build the Army of the 21st Century, we all must work together to provide soldiers with what they need, when they need it, and at an affordable cost. Acquisition reform (AR) is one way that we are creating efficiencies to reinvest in modernization. The AR Advocacy Program will help us to work as an integrated team so that we continue to improve and adopt new ways of doing business and create awareness of and access to new technologies.


The AR Advocacy Program, coupled with the FY98 Guidelines for AR Strategic Planning, will help us accelerate institutionalization of AR improvements in the Army as well as support the priorities of the Office of the Under Secretary of Defense for Acquisition and Technology. I, therefore, request that you designate an individual to serve as an *Acquisition Reform Advocate/Champion* for your organization and consider empowering your Advocate/Champion to do the following:

- a. Develop vision, guidance, information and focus to implement and institutionalize regulatory and business practice reforms.
- b. Ingrain regulatory reform, streamlining and process changes within the organization.



- c. Provide insight to acquisition reform strategic planning and improvement processes.
- d. Disseminate best practices, lessons learned and successes.
- e. Identify and facilitate implementation of new initiatives.
- f. Identify and facilitate removal of impediments, barriers, and challenges to acquisition reform implementation.
- g. Speak for your command in responding to Army requirements.

Our success today is real and visible and is directly attributable to your commitment and hard work. Thank you. I know that I can count on you for your continued support of this vitally important program. My point of contact is LTC Linda Hooks in the Acquisition Reform Directorate. Please provide her the **name of your designee by 5 January 1998**. She can be reached on (703) 681-9479 or by email at hooksl@sarda.army.mil.



Kenneth J. Oscar
Acting Assistant Secretary of the Army
(Research, Development and Acquisition)

DISTRIBUTION:

Commanders, US Army Major Commands:

Corps of Engineers
Europe and 7th Army
Eighth U.S. Army
Forces Command
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Pacific Command
Military Traffic Management Command
Medical Command
Military District of Washington
Space and Missile Defense Command



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
MANPOWER AND RESERVE AFFAIRS
111 ARMY PENTAGON
WASHINGTON DC 20310-0111

December 23, 1997



MEMORANDUM FOR FUNCTIONAL CHIEF REPRESENTATIVES (FCR)

SUBJECT: Competitive Professional Development (CPD) and Senior Service College (SSC) Resources for Salary Reimbursement

Reference my memorandum, dated April 30, 1997, subject as above. In that memorandum, I asked for your comments and recommendations regarding the revision of the current policy governing funding of salary and benefits for the backfill of vacancies generated by long-term training (LTT) participants.

One of the recommendations was to refocus the reimbursement from the employing command to the gaining command for the prospective placement of individuals on LTT for whom operational assignments were being sought. The Prioritization Subcommittee believed this would give FCRs an incentive to offer commanders to place other LTT graduates prior to or early in training. Toward that end, the subcommittee made the following recommendation to the Career Program Policy Committee (CPPC) to expand the current policy to reflect the following:

-At FCR discretion, allow reimbursement of actual salary cost when an operational assignment is effected; for non-SSC LTT attendees, FCRs would absorb the cost from their annual CPD distribution; the cost for SSC attendees would be absorbed by the SSC account.

While these issues were discussed at length at the August 14, 1997, CPPC meeting, there was no consensus on the following two issues.

-Retain the current policy (i.e., commands are reimbursed for actual or added costs) versus leave the actual or full reimbursement to the discretion of the FCRs;

-Change the policy to apply only to operational assignments (for gaining commands) versus expand the policy to apply to both operational assignments and other LTT.

I believe, in the interest of encouraging continuing education and training, the policy should be flexible without causing a financial burden or redirecting resources inappropriately. Whether the reimbursement is for replacement behind those on LTT or to effect operational assignments prior to the completion of LTT, individuals will reside on local mission manpower authorizations. Reassignment to ACTEDS rolls is no longer an option.


The following policy will be effective immediately:

Employing commands who expect the employee on LTT to return to their position may be reimbursed for the additional costs incurred for the temporary fill of the position.

Gaining commands who select an individual for their post-training, operational assignment may be reimbursed for the individual's salary effective the date of reassignment. Salary reimbursement ends at completion of LTT. No additional funds will be provided for temporary backfill of the position.

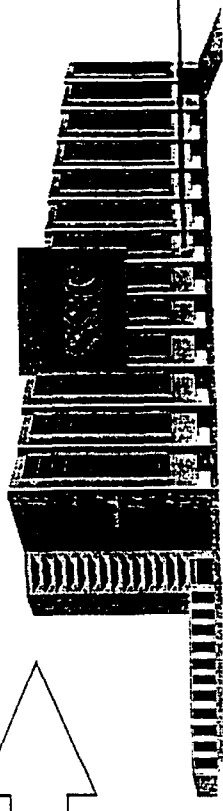
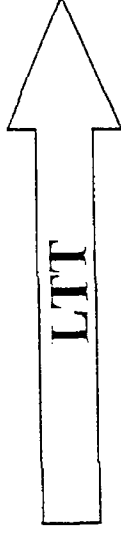
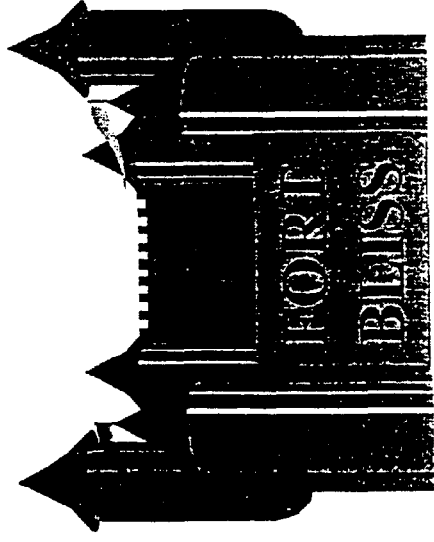
Note: For LTT participants funded from ACTEDS CPD resources, reimbursement of salary or added backfill cost is at the discretion of the FCRs.

As fiscal resources continue to decline, residual program dollars must be used to Army's greatest benefit. Your steadfast commitment to the professional development of the civilian work force is greatly appreciated. Illustrations to clarify the new policy are enclosed.


Carol Ashby Smith
Deputy Assistant Secretary
(Civilian Personnel Policy)

Enclosures

LONG-TERM TRAINING



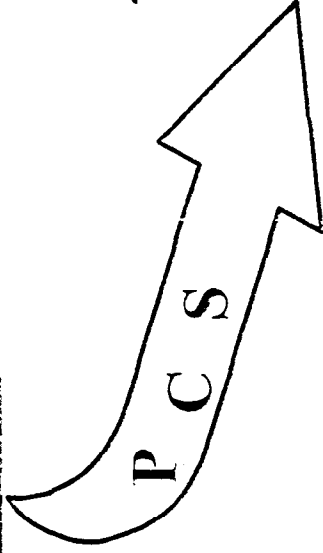
LTT participant is selected for SSC Program
And will return to his/her old job.
LTT participant proceeds to the SSC on TDY
(or limited PCS). Ft. Bliss receives ACTEDS funding
for travel/per diem for the LTT participant AND
ACTEDS funding for added back fill cost if Ft. Bliss
should choose to back fill temporarily.

OPERATIONAL ASSIGNMENT



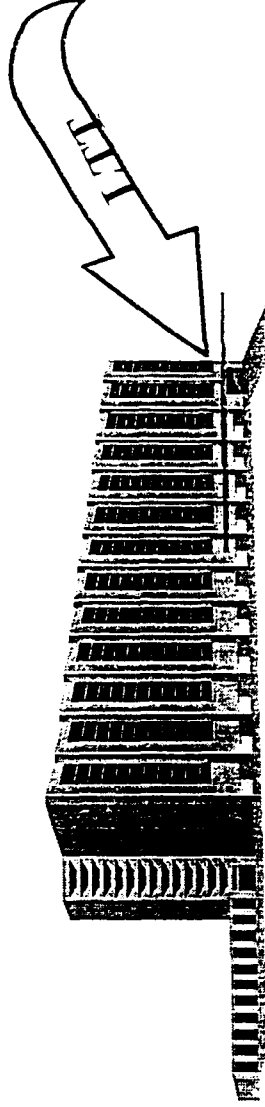
LTT participant from Ft. Bliss is selected for SSC program *AND* is offered operational assignment at Ft. McCoy. LTT participant permanently reassigned to Ft. McCoy prior to start of SSC Program.

Cmndr at Ft. Bliss may fill vacated position permanently and is not entitled to any ACTEDS funding.



Commander at Ft. McCoy receives ACTEDS dollars for the reimbursement of LTT participant's salary, travel per diem, etc., while attending SSC program.

Ft. McCoy not entitled to additional ACTEDS dollars for temporary over-hire/back fill.



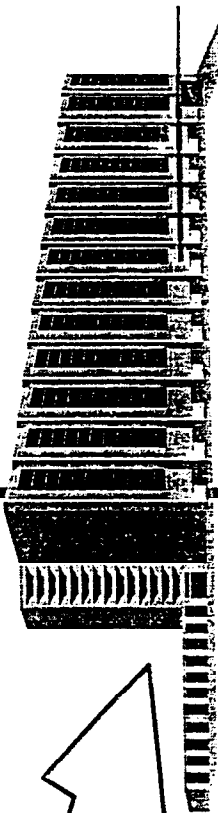
LONG-TERM TRAINING -----OPERATIONAL ASSIGNMENT

LTT participant is selected for SSC Program; no Operational Assignment offer prior to start of SSC; LTT participant plans to return to old job.

LTT participant proceeds on TDY (or partial PCS) to SSC. ACTEDS pays Ft. Bliss travel, per diem, etc. Commander at Ft. Bliss may back fill temporarily; entitled to ACTEDS salary reimbursement for added back fill cost.



TDY

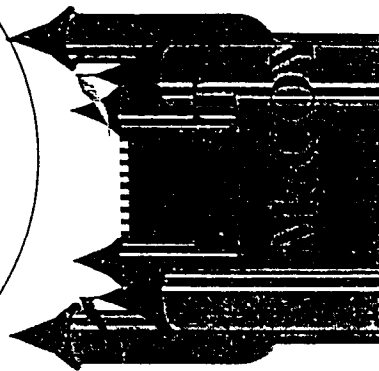


PCS

Commander at Ft. McCoy receives ACTEDS dollars to reimburse LTT participant's salary, travel, per diem, etc. effective the date of reassignment for the duration of the individual's LTT.

Midway through the training - LTT participant accepts Operational Assignment to Ft. McCoy.

- All ACTEDS funding for Ft. Bliss stops effective the date of reassignment
- Ft. McCoy receives full salary reimbursement (see below)





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DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH DEVELOPMENT AND ACQUISITION
103 ARMY PENTAGON
WASHINGTON DC 20310-0103

January 7, 1998

SARD-PM

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Short Term Executive Training with Brookings Government Affairs Institute

I am pleased to announce the Career Program - 14 Short Term Executive Training with The Brookings Government Affairs Institute of the Brookings Institution. This training is targeted for CP-14 professionals that have completed their Level 2 certification and could benefit from advanced training in business related subjects. Complete application procedures, course descriptions and Brookings Institute application forms are enclosed.

Enclosure 1 provides application instructions. We have tried to streamline application procedures and have centered the application process on the Internet. If you should have problems with the application procedures, please contact Don Tucker at (703) 681-1046, DSN 761-1046 or email TuckerD@sarda.army.mil. Enclosure 1 provides a description of each sponsoring institution, class, and dates offered.

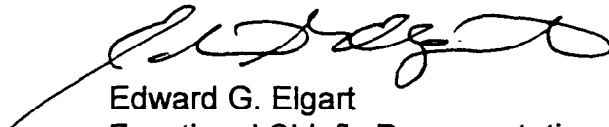
Applications for 3rd quarter are due by February 6, 1998: Applications should be mailed to the following address:

HEADQUARTERS, DEPARTMENT OF THE ARMY
ATTN: SARD-PM, (Don Tucker)
Skyline 6, Suite 309
5109 Leesburg Pike
Falls Church, VA 22041-3201

This announcement is being simultaneously mailed, emailed and placed on the SARDA homepage. If you obtain a copy from the email or the SARDA homepage you will need to contact the point of contact below to obtain the individual University Application Forms. Selection will be made competitively. Individuals are encouraged to apply. **Please make the widest distribution of this Executive Education Announcement.**



Should you have any questions my point of contact for this action is Don Tucker,
DSN 761-1046, COM (703) 68101046, FAX (703) 681-1121, email
TuckerD@sarda.army.mil.



Edward G. Elgart
Functional Chief's Representative
Civilian Contracting and
Acquisition Career Program

Enclosures

DISTRIBUTION:

PRINCIPAL ASSISTANTS RESPONSIBLE FOR CONTRACTING
HQ, U.S. Army Materiel Command, ATTN: AMCRDA-AC (PARC),
5001 Eisenhower Avenue, Alexandria, VA 22333-0001
U.S. Army Aviation and Missile Command, ATTN: AMSAM-AC, Redstone
Arsenal, AL 35898-5280
U.S. Army Chemical and Biological Defense Command, ATTN: AMSCB-PO,
Building E4455, Aberdeen Proving Ground, MD 21010-5423
U.S. Army Communications-Electronics Command, ATTN: AMSEL-AC,
Fort Monmouth, NJ 07703-5000
U.S. Army Industrial Operations Command, ATTN: AMSIO-AC, Rock Island,
IL 61299-6000
U.S. Army Soldier Systems Command, ATTN: AMSSC-AD, Kansas Street,
Natick, MA 01760-5011
U.S. Army Tank-automotive and Armaments Command, ATTN: AMSTA-AQ,
Warren, MI 48397-5000
U.S. Army Test and Evaluation Command, ATTN: AMSTE-PR, Aberdeen
Proving Ground, MD 21005-5055
U.S. Army Research Laboratory, ATTN: AMSRL-CS-PR, 2800 Powder Mill
Road, Adelphi, MD 20783-1197
Defense Supply Service - Washington, 5200 Army Pentagon, Washington,
DC 20310-5200
Headquarters Forces Command, ATTN: AFLG-PR, 1777 Hardee Avenue
S.W., Fort McPherson, GA 30330-1062
Third United States Army/U.S. Army Forces Central Command, 1301 Anderson
Way S.W., Fort McPherson, GA 30330-1096
U.S. Army Medical Command, ATTN: MCAA, 2706 Dunstan Road, Building
2002, Suite 38, Fort Sam Houston, TX 78234-6038
U.S. Army Intelligence & Security Command, ATTN: IAPC, Fort Belvoir,
VA 22060-5246

APPLICATION INSTRUCTION: You are required to prepare (3) standard forms with your application and an individual form for Brookings (3) standard forms are computer based and can be accessed by the following instructions:

- a. Request For Central Resource Support Form
 1. Login to the Internet address: <http://cpol.army.mil>
 2. Click on: Training and Career Development
 3. Click on: FY98 Catalog of Army Training, Education & Professional Development Opportunities
 4. Click on: Catalog Cover Sheet
 5. At end of page Click on: GO TO THE CATALOG
 6. Chapter 3, Click on: CP-14
 7. End of section, Click on: APPLY

Forms will appear and you can fill out from the Internet:

- a. Request For Central Resource Support
- b. Nominee's Statement of Interest from the system.

Forms below is in your informs package on your PC.

- c. The DA Form 2302-R is in your Informs program(which most of you have in your systems at your work place).

The Brookings Application is in the Announcement or can be sent to you;

- d. The Brookings Application Forms will be placed in this announcement following the course descriptions.

1. Congressional Operations Seminar: (GS-11 to GS-14)

March 9 - 13, 1998

April 13 - 17, 1998

May 11 - 15, 1998

June 8 - 12, 1998

July 13 - 17 1998

Since many government managers are now called upon to deal with Congress, it is imperative that they understand the organization, operations, and culture of that body. This 5-day program provides a comprehensive look at the workings of Congress, and at how Congress affects the daily operations of every department and agency in the Executive Branch.

2. Seminar for Executives on the Legislative Process: (GS-14 to GS-15)

March 23 - 27, 1998

June 15 - 19, 1998

This 5-day program will enable participants to understand Congressional Party, leadership, and committee structure; Congressional committee actions, including the hearing process; and the guidelines governing the authorization, appropriation, and budget process.

3. Congress and Money: (GS-11 to GS-15)

April 21 - 22, 1998

July 13 - 14, 1998

This 2-day program includes sessions on the roles of authorizers and appropriators, the politics of tax policy, the role of the Office of Management and Budget, the deficit and other current budget issues and the new line-item veto.

4. Preparing and Delivering Congressional Testimony: (GS 11 - GS -15)

June 4 - 5, 1998

Federal officials must on occasion, prepare and deliver testimony before congressional committees. In order to be effective in representing agency programs, such testimony needs to be prepared and delivered with a full understanding of the complexities of the congressional hearing process. This two-day program includes:

- a detailed explanation of all types of congressional hearings

- a workshop on preparing congressional testimony

- a workshop on delivering congressional testimony

- a hands-on experience in testifying before a simulated hearing on Capitol Hill

- a review and analysis of your individual testimony on videotape

5. Executive Leadership in a Changing Environment: (GS/GM - 15)

May 4 - 8 1998 (Boar's Head Inn, Charlottesville, VA)

This retreat focuses on key issues in leadership and management and the skills and abilities needed to succeed. The seminar helps government managers and executives improve their ability to plan and manage change, and become a leader for the future. Past sessions have addressed such topics as innovation in public management and new challenges of leadership. Participants meet with government officials, business and community leaders and scholars, who conduct intensive, tightly-focused discussion sessions.

6. Benchmarking Business (GS/GM - 15)

Boston, September 14 - 18, 1998

In this course, federal managers learn how to compare their agency's performance levels and underlying processes with those of comparable, "best in the business" companies. Benchmarking Business takes senior government managers to both leading-edge high-growth companies and long-established Fortune 500 companies for in-depth briefings at their corporate headquarters. Participating corporations make presentations on a range of vital topics to give government managers new perspectives and insights.

7. Emerging Issues in Public Management

March 10 -11, 1998

This 2-day seminar provides extensive coverage of federal budget, performance management and new procurement reforms. Key Administration and Congressional figures will join leading academic and policy researchers, to examine current and future challenges facing public managers in the area of deficit reduction, performance based budgeting, franchising and contracting by negotiations. There will be updates and extensive analysis of the Quadrennial Defense Review, the Government Performance Results Act, new Federal Acquisition Regulations, and new personnel system policy changes.

PAYMENT POLICY

Brookings Institution
Executive Forum
1997-1998
The Brookings Institution
1875 Massachusetts Avenue, N.W.
Washington, D.C. 20036-2188
Phone: 202-775-2700
Fax: 202-775-2701
E-mail: info@brookings.edu

DECLARATIONS

I hereby declare that I am not a U.S. citizen or a U.S. permanent resident and that I am not a U.S. government employee. I am not a U.S. government contractor or subcontractor. I am not a U.S. government employee or contractor. I am not a U.S. government contractor or subcontractor. I am not a U.S. government employee or contractor.

Registration Form

Please register me for the following program(s):

Name of Program	Program Dates	Tuition
A. _____	_____	_____
B. _____	_____	_____
C. _____	_____	_____

Name _____

First Name Preferred on Badge _____ GS/GM level _____

Title _____

Organization _____

Office Address _____

City/State/Zip _____

Business Phone () _____ Fax Number () _____

E-mail _____

SECURITY INFORMATION

Please fill out the section below to ensure clearance to secured government buildings.

Social Security Number _____

Date of Birth (Month/Day/Year) _____

Place of Birth (City/State/Country) _____

Citizenship (If naturalized U.S. Citizen give date and place of Naturalization) _____

Passport Number (Non-U.S. Citizens only) _____

PAYMENT:

☐ Check enclosed, payable to the Brookings Institution

☐ Purchase Order or Government Training Form enclosed

☐ Purchase Order Number _____

☐ Credit Card: ☐ AmEx ☐ MC ☐ VISA

Card Number _____

Exp Date _____

Signature _____

Brookings permits charges from receipt of registration form

PERSON RESPONSIBLE FOR EXECUTIVE DEVELOPMENT IN YOUR COMPANY

Name _____

Title _____

Address _____

HOW DID YOU FIRST LEARN ABOUT OUR CONFERENCE

(Check all that apply)

- ☐ Advertisement in _____
- ☐ My training/human resource office
- ☐ Colleague
- ☐ Brookings mailing brochure
- ☐ Have attended a previous Brookings program
- ☐ This catalogue
- ☐ Other _____

SPECIAL ASSISTANCE

To help us comply with the Americans with Disabilities Act, please write any special needs you have on a sheet of paper, and attach it to your registration form.

MAIL COMPLETED FORM WITH PAYMENT TO:

Carol Salis
Brookings Executive Forums
The Brookings Institution
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ACQUISITION AND
TECHNOLOGY

MEMORANDUM FOR BROADCAST VIEWERS

SUBJECT: Rewrite of the Federal Acquisition Regulations Part 15 – Negotiated Source Selection

Contracting by Negotiation, FAR Part 15, procedures establish the framework for our business relationship with industry and are critical to obtaining best value goods and services. Two years ago, Dr. Kelman, the Administrator of the Office of Federal Procurement Policy, and the Department of Defense agreed to reform the rules governing source selection procedures for the federal and defense sectors. The final rule for the FAR 15 rewrite will be published shortly and will be available for use within 10 days after its publication. ~~its use will be mandatory effective January 1, 1998~~ As the Co-chair of the Front Line Forum, I commend the rewrite team for a job well done.

The team was comprised of representatives from the Office of the Under Secretary of Defense (Acquisition & Technology), the Departments of the Army, Navy, and Air Force, the Defense Logistics Agency, the National Aeronautics and Space Administration, the General Services Administration, the Departments of the Treasury and Energy, and the Office of Federal Procurement Policy.

The team, in coordination with the Defense Acquisition University, the Federal Acquisition Institute and industry, is now working to provide outreach and formal training to our workforce. The FAR 15 rewrite team has prepared highlights of the rule in a series of questions and answers, which are attached for your information and use. These questions and answers are authoritative and should prove useful as we all begin implementing this new way of doing business. This format is designed for use by the entire acquisition workforce. If you have further questions about implementing the rule, tune into our broadcast on October 15, 1997, or contact our "Ask a Professor" program at: <http://www.deskbook.osd.mil>.

Donna S. Richbourg
Acting Deputy Under Secretary of Defense
(Acquisition Reform)

Attachment:
As stated



Encl 4

Highlights of the FAR 15 Rewrite
(September 1997)

Have the profit rules been changed?

Existing profit policy has not changed. However, the rules regarding fee limitations have been revised to match the law. Previously, statutory limitations on fee paid under cost-plus-fixed-fee contracts were also applied by regulation to cost-plus-incentive-fee and cost-plus-award-fee contracts. Those additional limitations have been removed and now the limits apply only to cost-plus-fixed-fee contracts.

In addition, the new rule removes the requirement for the contracting officer to write a separate determination that the fee limits on cost-plus-fixed-fee contracts have not been exceeded. Now, the contracting officer's signature on the price documentation will serve as that determination.

What changes were made to the rules on unbalanced offers?

The coverage on unbalanced offers has been simplified and the focus has been changed from a step-by-step mathematical approach to an analysis of relative value and risk to the Government. It has also been relocated to reflect the use of this analysis as a proposal evaluation technique in assessing risk and protecting the Government's economic interests.

What remained the same?

The basics of contract pricing have remained the same. Contracting officers are still required to buy at fair and reasonable prices and must document price reasonableness in the price documentation. The hierarchical preference policy regarding the types and amount of pricing information to obtain from contractors also remains unchanged. Except for the change to the rules regarding the modification of commercial contracts, cost or pricing data requirements also remain the same.

What was deleted from the last proposed rule?

The coverage on the new late is not quite late rule was restored to current FAR coverage. The proposed coverage on multiphase procurement was removed, although preaward advisory language remains.